

<b>REQUEST FOR COUNCIL ACTION</b> CITY OF SAN DIEGO				CERTIFICATE NUMBER (FOR COMPTROLLER'S USE ONLY)	
TO: CITY COUNCIL		FROM (ORIGINATING DEPARTMENT): Dept of Information Technology		DATE: 03/06/2013	
SUBJECT: Information Technology Sourcing Transition Update					
PRIMARY CONTACT (NAME, PHONE): Jeff Leveroni, 619-533-3637 & MS658b			SECONDARY CONTACT (NAME, PHONE): ,		
COMPLETE FOR ACCOUNTING PURPOSES					
FUND					
DEPT / FUNCTIONAL AREA					
ORG / COST CENTER					
OBJECT / GENERAL LEDGER ACCT					
JOB / WBS OR INTERNAL ORDER					
C.I.P./CAPITAL PROJECT No.					
AMOUNT	0.00	0.00	0.00	0.00	0.00
FUND					
DEPT / FUNCTIONAL AREA					
ORG / COST CENTER					
OBJECT / GENERAL LEDGER ACCT					
JOB / WBS OR INTERNAL ORDER					
C.I.P./CAPITAL PROJECT No.					
AMOUNT	0.00	0.00	0.00	0.00	0.00
COST SUMMARY (IF APPLICABLE):					
ROUTING AND APPROVALS					
CONTRIBUTORS/REVIEWERS:		APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED	
Liaison Office		ORIG DEPT.	Leveroni, Jeffrey	3/7/2013	
		CFO			
		DEPUTY CHIEF			
		COO			
		CITY ATTORNEY			
		COUNCIL PRESIDENTS OFFICE			
PREPARATION OF:	<input type="checkbox"/> RESOLUTIONS	<input type="checkbox"/> ORDINANCE(S)	<input type="checkbox"/> AGREEMENT(S)	<input type="checkbox"/> DEED(S)	
None					
STAFF RECOMMENDATIONS: Informational Item Only					
SPECIAL CONDITIONS (REFER TO A.R. 3.20 FOR INFORMATION ON COMPLETING THIS SECTION)					
COUNCIL DISTRICT(S):		NA			

COMMUNITY AREA(S):	NA
ENVIRONMENTAL IMPACT:	NA
CITY CLERK INSTRUCTIONS:	NA

**COUNCIL ACTION  
EXECUTIVE SUMMARY SHEET  
CITY OF SAN DIEGO**

DATE: 03/06/2013

ORIGINATING DEPARTMENT: Dept of Information Technology

SUBJECT: Information Technology Sourcing Transition Update

COUNCIL DISTRICT(S): NA

CONTACT/PHONE NUMBER: Jeff Leveroni/619-533-3637 &MS658b

**DESCRIPTIVE SUMMARY OF ITEM:**

The Department of Information Technology committed to regular informational updates during the execution of the transition to the new IT service providers. This informational report provides an update to the Budget & Finance Committee for the Dec 2012 – March 2013 time period.

**STAFF RECOMMENDATION:**

Informational Item Only

**EXECUTIVE SUMMARY OF ITEM BACKGROUND:**

In May and June of 2012, the City of San Diego entered into 5-year contracts that would replace IT services previously provided by San Diego Data Processing Corporation (SDDPC) and EnPointe, with IT services provided by Atos, CGI and Xerox. The overall transition to the new service providers is estimated to take 18-24 months.

The Department of Information Technology committed to regular informational updates during the execution of the transition. This informational report provides an update to the Budget & Finance Committee for the Dec 2012 – March 2013 time period.

**FISCAL CONSIDERATIONS:** NA

**EQUAL OPPORTUNITY CONTRACTING INFORMATION (IF APPLICABLE):**NA

**PREVIOUS COUNCIL and/or COMMITTEE ACTION** (describe any changes made to the item from what was presented at committee):

**COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:**NA

**KEY STAKEHOLDERS AND PROJECTED IMPACTS:**NA

Leveroni, Jeffrey

Originating Department

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Deputy Chief/Chief Operating Officer



# IT Sourcing Transition Update

Department of Information Technology  
March 27th, 2013

## Application Transition with CGI

- Additional Scope added since last update
  - Ten applications from SDPD
  - Intranet Quorum implementation support
- Leveraged contract to procure Project Management for the Enterprise Computer Aided Dispatch project (SDPD) as well as for implementation support for ActiveNet (Parks & Recreation)
- COMNET
  - Staffing and Training issues have been resolved
  - Training of three staff progressing well
  - Transition of support to be complete in June
- Current status: **Positive**

## Network Transition with Xerox

- Underlying network infrastructure is being successfully transformed to enable VoIP
- ~700 VoIP phones to be deployed by March 31, 2013
- VoIP migration for remainder of City:
  - ~5000 phones in Q2, 2013
  - ~2500 phones in Q3, 2013
  - ~600 phones in Q4, 2013
- Network monitoring occurring via Xerox tool suite
- Measuring performance against 50+ Service Level Requirements
- Work associated with the decommissioning of the Rose Canyon Data Center has begun (coordinating with Atos)
- Current status: **Positive**

## Data Center Transition with Atos

- High Virtualization infrastructure delivered and in production
- Data Center migrations began January 4<sup>th</sup>
  - On track to complete ~50% of our move groups by the end of March
  - Migration waves have been accomplished with minimal impact to customers
  - User Acceptance Testing has trended positive, often seeing greater performance post-migration due to updated hardware
- Rose Canyon “lights out” still on track for June 2013
  - Work associated with the decommissioning of the Rose Canyon Data Center has begun (coordinating with Xerox)
- Atos is actively supporting Office 365 transformation (E-mail, SharePoint, Office, IM)
- Current status: **Monitoring**



## Helpdesk/Deskside Transition with Atos

- Transition kick-off meetings took place February 20<sup>th</sup> and 21<sup>st</sup> ahead of schedule
- Activity underway to background Service Desk staff that will support SDPD
  - First batch to be completed end of March
  - Second batch to be completed in May
- Go-live for both towers is scheduled for July 1<sup>st</sup>
- Current status: **On schedule**



## **Follow-up to SDDPC Annual Report to Council**

- No ongoing employment details for RIF'ed personnel
- Seventeen have been granted unemployment benefits
- RIF'ed personnel have access to COBRA for 18 months under most circumstances
  - SDDPC makes no contribution to the cost of COBRA
- ~50 SDDPC personnel may be RIF'ed upon the final dissolution of SDDPC

## SDDPC Dissolution

- The Council, acting as the sole Member of SDDPC, can vote on whether to dissolve the corporation
- The Bylaws require five votes to approve dissolution
- If Dissolution is authorized, SDDPC's Board of Directors would send notices to all creditors and claimants and cease all activity except winding up the corporation
- Before filing a Certificate of Dissolution with the Secretary of State, a Director of the Corporation would sign a letter to send to the California Attorney General (along with other required materials) stating that SDDPC's assets will be distributed to the City and requesting the Attorney General to send a letter waiving objections to the proposed distribution of assets



# Local Employment

## Overview

- Original local employment projections for CoSD:
  - Reported 148 FTE local positions supporting IT service delivery to the City (within the scope of the IT Sourcing RFP), with 144 FTE attributed to SDDPC
  - Projected the creation of 137 FTE local positions in support of IT service delivery to the City
- Currently at 130 FTE local positions from Atos, CGI, Xerox and City of San Diego, plus 2 temporary FTE
- An additional 15 FTE positions are currently being recruited or are scheduled to be recruited



# Local Employment

## CGI

- Originally projected 80 local FTE positions in support of IT service delivery to the City
- Currently at 81 local FTE positions, plus 2 temporary FTE
- Currently recruiting 4 local FTE positions



# Local Employment

## Xerox

- Originally projected 18 local FTE positions in support of IT service delivery to the City
- Currently at 22 local FTE positions





# Local Employment

## Atos

- Originally estimated 33 local FTE positions but continue to project 32 FTE due to efficiencies gained with new data center strategy
- Currently at 21 local FTE positions
  - Balance of positions are being recruited in preparation for Service Desk activation on July 1, 2013



# Cost & Savings Update

- Completed SDDPC budget review for 2<sup>nd</sup> half of FY2013
- IT Sourcing Cost savings estimates are unchanged:
  - ~\$13.1M over 5 years, or ~\$35.5M over 7 years
- Cost avoidance – Application support staffing
  - Additional applications that CGI has assumed support for avoid future FTE labor costs





# Milestones & Opportunities

- Acquire / implement WAN optimization hardware
- Complete Application Baseline Performance Testing for Data Center move
- Negotiate Change Order for increase in Helpdesk volume
- Formalize SLR Reporting and apply the Contractual Weighting Factors
- Complete Windows 7 remediation effort
- Complete upgrade planning for significant systems (SharePoint, GE Smallworld to ESRI migration)



***Questions?***